

103^D CONGRESS
1ST SESSION

H. R. 952

To amend the Internal Revenue Code of 1986 to adjust the \$50 threshold for payment of social security taxes on wages paid for domestic service in a private home for inflation since the \$50 threshold was established, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 1993

Mr. SARPALIUS introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to adjust the \$50 threshold for payment of social security taxes on wages paid for domestic service in a private home for inflation since the \$50 threshold was established, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. INFLATION ADJUSTMENT OF \$50 THRESHOLD**

4 **FOR PAYMENT OF SOCIAL SECURITY TAXES**

5 **ON WAGES PAID FOR DOMESTIC SERVICE IN**

6 **A PRIVATE HOME.**

7 (a) AMENDMENTS OF INTERNAL REVENUE CODE.—

1 (1) IN GENERAL.—Subparagraph (B) of section
2 3121(a)(7) of the Internal Revenue Code of 1986 is
3 amended by striking “\$50” and inserting “the appli-
4 cable dollar threshold under subsection (y) for such
5 quarter”.

6 (2) DOLLAR THRESHOLD.—Section 3121 of
7 such Code is amended by adding at the end thereof
8 the following new subsection:

9 “(y) DOLLAR THRESHOLD FOR DOMESTIC SERVICE
10 IN A PRIVATE HOME.—

11 “(1) IN GENERAL.—The dollar threshold appli-
12 cable under subsection (a)(7)(B) for any calendar
13 quarter is \$245.

14 “(2) ADJUSTMENT FOR INFLATION.—In the
15 case of any calendar quarter beginning after 1993,
16 the dollar amount contained in paragraph (1) shall
17 be increased by an amount equal to—

18 “(A) such dollar amount, multiplied by

19 “(B) the cost-of-living adjustment deter-
20 mined under section 1(f)(3) for the calendar
21 year in which such quarter begins by substitut-
22 ing ‘calendar year 1992’ for ‘calendar year
23 1989’ in subparagraph (B) thereof.”

24 (3) CONFORMING AMENDMENT.—The second
25 sentence of section 3102(a) of such Code is amended

1 by striking “\$50” and inserting “the applicable
2 dollar threshold under section 3121(y) for such
3 quarter”.

4 (b) AMENDMENT OF SOCIAL SECURITY ACT.—Sub-
5 paragraph (B) of section 209(a)(6) of the Social Security
6 Act is amended by striking “\$50” and inserting “the ap-
7 plicable dollar threshold under section 3121(y) of the In-
8 ternal Revenue Code of 1986 for such quarter”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to calendar quarters beginning
11 after the date of the enactment of this Act.

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